

NORTH CAROLINA

WAKE COUNTY

BEFORE THE  
GRIEVANCE COMMITTEE  
OF THE  
NORTH CAROLINA STATE BAR  
08G1224

IN THE MATTER OF

Lori M. Glenn,  
ATTORNEY AT LAW

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CENSURE

On July 23, 2009, the Grievance Committee of the North Carolina State Bar met and considered the grievance filed against you by B. S.

Pursuant to section .0113(a) of the Discipline and Disability Rules of the North Carolina State Bar, the Grievance Committee conducted a preliminary hearing. After considering the information available to it, including your response to the letter of notice, the Grievance Committee found probable cause. Probable cause is defined in the rules as "reasonable cause to believe that a member of the North Carolina State Bar is guilty of misconduct justifying disciplinary action."

The rules provide that after a finding of probable cause, the Grievance Committee may determine that the filing of a complaint and a hearing before the Disciplinary Hearing Commission are not required and the Grievance Committee may issue various levels of discipline depending upon the misconduct, the actual or potential injury caused, and any aggravating or mitigating factors. The Grievance Committee may issue an admonition, a reprimand, or a censure.

A censure is a written form of discipline more serious than a reprimand, issued in cases in which an attorney has violated one or more provisions of the Rules of Professional Conduct and has caused significant harm or potential significant harm to a client, the administration of justice, the profession or a member of the public, but the misconduct does not require suspension of the attorney's license.

The Grievance Committee believes that a hearing before the Disciplinary Hearing Commission is not required in this case and issues this censure to you. As chairman of the Grievance Committee of the North Carolina State Bar, it is now my duty to issue this censure.

You were the closing attorney for B.S.'s purchase of a home in Willow Springs on 29 June 2007, at which B.S. paid cash for the home and provided you with the title insurance premium, which you were to pay to the insurance company. You were aware at the time of B.S.'s closing that there was an outstanding deed of trust on the property. Although the sellers of the property told you that they had "applied" to transfer this deed of trust to another property, the deed of trust was still of record at closing. You did not explain this situation to B.S. before disbursing her funds and recording the deed, and as a result, B.S. was not afforded the opportunity to decide whether her money would be spent and she would become record owner of the property before this encumbrance was removed. B.S. did not learn until many months later that her property remained encumbered by the previous owners' debt. Thus, prior to closing, you failed to inform your client of a circumstance with respect to which her

informed consent was required in violation of Rule 1.4(a)(1), and failed to explain a matter to the extent reasonably necessary to permit your client to make an informed decision in violation of Rule 1.4(b). Because you knew about the outstanding deed of trust, your failure to ensure that B.S.'s interests were protected at closing constituted a lack of diligence in violation of Rule 1.3. B.S. suffered significant actual harm as a result.

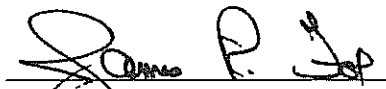
After the closing, B.S. asked you repeatedly for a copy of the deed and the HUD-1 statement, but you did not provide the requested documents to B.S., nor did you communicate with her about efforts you were purportedly making to rectify the situation. You thereby failed to promptly comply with a reasonable request for information and failed to keep your client reasonably informed about the status of the matter in violation of Rule 1.4(a).

The title insurance policy for B.S.'s property was cancelled because you did not provide a final opinion or pay the premium for over a year after the closing. You did not refund the money entrusted to you for the insurance premium, nor did you provide an accounting of the entrusted funds to B.S. The money provided by B.S. for the title insurance premium (plus an additional \$3.00 in excess recording costs) has been in your trust account for the last two years. You have neither refunded this money nor provided B.S. with a written accounting for the funds remaining in your trust account, in violation of Rule 1.15-3(e), which requires a lawyer to render a written accounting of entrusted funds to the client at least annually.

You are hereby censured by the North Carolina State Bar for your violation of the Rules of Professional Conduct. The Grievance Committee trusts that you will ponder this censure, recognize the error that you have made, and that you will never again allow yourself to depart from adherence to the high ethical standards of the legal profession. This censure should serve as a strong reminder and inducement for you to weigh carefully in the future your responsibility to the public, your clients, your fellow attorneys and the courts, to the end that you demean yourself as a respected member of the legal profession whose conduct may be relied upon without question.

In accordance with the policy adopted January 24, 2008 by the Council of the North Carolina State Bar regarding the taxing of the administrative and investigative costs to any attorney issued a censure by the Grievance Committee, the costs of this action in the amount of \$100.00 are hereby taxed to you.

Done and ordered, this 18 day of August, 2009.

  
James R. Fox, Chair  
Grievance Committee  
The North Carolina State Bar